



Delegated decision report

DECISION UNDER DELEGATED POWERS

DECISION CANNOT BE TAKEN BEFORE MONDAY, 19 MARCH 2013

Title	LOCAL ASSISTANCE SCHEME FOR PEOPLE IN SEVERE FINANCIAL NEED
Report of/to	REPORT OF THE LEADER OF THE COUNCIL AND CABINET MEMBER FOR RESOURCES

EXECUTIVE SUMMARY

1. The abolition of the Social Fund by the Department of Works and Pensions (DWP) from 31 March 2013 will transfer funding to local authorities to use as they see fit to meet the needs of local people in severe financial crisis. This will be delivered through a Local Assistance Scheme (LAS), from 1 April 2013. The background to this was contained within the delegated decision paper of 21 November 2012.
2. A delegated decision taken on 21 November 2012, approved the development of a draft Local Assistance Scheme to be piloted during 2013/14 and administered by the Council's Benefit Service, consulted on with relevant organisations, referral agencies and key stakeholders. The consultation was undertaken from 4 February 2013 to 8 March 2013.
3. The report sets out the outcome of the consultation and the resultant equality impact assessment (EIA) is set out in Appendix One. The report also provides the latest position on developing the Island's Local Assistance Scheme and recommends a final form for the pilot scheme to be adopted for 2013/14.

OUTCOMES

4. If the recommendations of this report are accepted then the council will be in a position to provide an appropriate and responsive programme of local assistance provision to Island residents who are in genuine hardship (which cannot be met through other means). Residents in need of assistance will be able to access the support that they need, financial or otherwise, quickly and effectively during the pilot scheme year. The service provided will be one of last resort and is not intended to become part of a regular package of assistance provided to Island residents. The support will be delivered from within the total of the annually available resources of £344,000.

5. The council will be in a position to commission and operate the Local Assistance Scheme externally from 1 April 2014.

OUTCOME OF CONSULTATION

6. A consultation exercise was carried out from 4 February 2013 to 8 March 2013 the details of which are as follows:-

<u>Stakeholders</u>	<u>Methodology</u>
1. Interested organisations and groups that represent and come into contact with residents more likely to need emergency support.	<ul style="list-style-type: none">• Anti-poverty group meeting 24 January 2013 – briefing• Community Action voluntary sector awareness event held 1 February 2013• Strengthening Families program staff and coaches awareness briefings 12, 19 & 20 February 2013• Online consultation explaining draft scheme and seeking comments on the scheme was provided to all relevant interested parties

7. There were five responses to the consultation and these are set out in full in Appendix three.
8. The responses were generally deemed to be in favour of the proposed scheme and there were no significant suggestions for change. One recurring theme of the consultation was that it would be helpful if the scheme were able to supply assistance for those Island residents who might require assistance with rent in advance payments. As this is a service which is already provided by the council's housing team (in certain circumstances) it is not felt appropriate for rent in advance to form part of the Local Assistance Scheme.
9. It was also suggested that the minimum age for making an application to the LAS was made clear. Therefore it is recommended that the scheme is made available to those aged 16 or over, as this would replicate the current Social Fund Crisis Loan age rules, this being the age that potentially a person of 16 could find themselves living independently in society. Those under the age of 16 would continue to be deemed the responsibility of a parent or guardian. A comment was made to specifically support older vulnerable residents to remain independent in their homes. However, it is felt that the policy wording of supporting vulnerable residents in the local community not only provides consideration for the older resident but also the working age resident. This way the scheme continues to meet positive outcomes for the protected age characteristic.
10. It was also suggested that in assessing support that the wording be clarified around savings held by family to mean those living within the same household as the applicant. The final policy has been amended to reflect this.

11. A comment was received around clarifying the limitation on help to those that had not qualified due to limited funds being available as their priority need was considered a lower level. The policy wording has been amended under section 2.1, second to last bullet point, to reflect the original intention but to consider applications within 28 days of a previous claim where they were previously refused due to limited funds being available.
12. It was also suggested that a time limit be applied to policy point 6.8 as some white goods might break down. Consideration was given to this and it is felt that to stipulate an exact period of time would not be possible, as each case of support would need to be considered under its own merit. Therefore the wording has been added to reflect within an appropriate period of time.
13. A comment was received that a service area dealing with vulnerable adults were comfortable with the scheme proposals. They had also raised some separate questions around the administration of the scheme.
14. The report is prepared on the basis of the information before officers, any further consultation responses received between the date of publication of the report and Cabinet meeting will be provided by way of cabinet member/late representation of cabinet member. Any additional comments received will be considered and take into account any changes to the scheme.
15. The Equality Impact Assessment for the Local Assistance Scheme is attached at Appendix One to this report.
16. The delegated decision of 21 November 2012 required the director of resources (in consultation with the leader of the council and cabinet member for resources) to consider the responses to the consultation exercise and the Equality Impact Assessment and then make recommendations to Cabinet for the implementation of the pilot scheme. Due to the timescale for consultation the deadline for Cabinet was unable to be met and a Cabinet delegated decision is being made instead.
17. During the first year of the pilot scheme, the Equality Impact Assessment will be reviewed to monitor, seek to eliminate and mitigate any inequalities that may appear throughout the first year pilot from the analysis of applications received.

SUMMARY OF SCHEME

18. Following the delegated decision made on the previous paper dated 21 November 2012, officers have been developing a pilot scheme for the first year and in discussion with a number of support providers on the Island.
19. The first year local assistance pilot scheme is attached as Appendix Two
20. The main features of the scheme are:
 - Awards comply with the eligibility and qualifying criteria;
 - No claimant or their family should be able to have more than three awards in any given 12 month rolling period;
 - To assist with exceptional pressure or immediate crisis that was not foreseen;
 - Awards should generally be viewed as short term emergency funds rather than an ongoing top up payment in addition to a claimant's individual benefit income or

other sources of income, and should not be considered as a regular package of assistance or a way round any current or future benefit entitlement reform restrictions imposed by the government;

- The LAS award is designed to help local people in a genuine severe financial crisis out of immediate hardship and offer them advice and support to maintain their own financial independence in the longer term;
- To help Island residents who are in genuine hardship (which can not be met through other means) by providing an appropriate level of support through the Local Assistance Scheme Fund;
- The scheme is purely discretionary; an applicant does not have a statutory right to a payment or award;
- The total amount that can be paid out by the authority in any financial year is cash limited, delivered from within the total of the annually available funding resources provided by the Department for Communities and Local Government;
- The scheme will be managed to ensure it is not effectively exhausted before the end of the financial year, i.e. if the scheme begins to overspend against monthly targets, the council will limit support to the top priority criteria of assistance rather than all criteria. By top criteria this will imply where there is an immediate health and safety risk or life threatening impact that requires help with food and heat for those applications where children are included or vulnerability is proven.

21. Interim discussions have taken place with a number of local providers to develop partnerships around providing local assistance support for particular needs such as Foodbank, Storeroom, IW Law Centre and the IW Credit Union.
22. Both the Foodbank and the IW Storeroom Charity have discussed how local referrals might be developed to provide local assistance to support a number of furniture needs and there is the additional option within the procured scheme system to obtain goods through the Family Fund ordering arrangements.
23. A further discussion with the Island's Foodbank also explored the potential of commissioning the local assistance scheme service but the Foodbank board has decided that it would not be appropriate to deliver the service but are keen to support vulnerable applicants from referrals received from the council's local assistance scheme.
24. Two other organisations have expressed a potential interest in running the Local Assistance Scheme should a tendering opportunity arise during the next year. The intention is to further explore commissioning opportunities during the pilot year scheme.
25. The procurement of the necessary ICT system is in the final contract stage with the preferred system provider, Northgate. This is following a number of system demonstrations being provided by four software companies before completing the necessary procurement requirements to enable a suitable system to be procured to meet the first year pilot scheme requirements. On 28 February 2013 the procurement board considered and agreed a report recommending this course of action.
26. A free phone telephone number is being set up for applicants to use when they cannot apply online. This will cost approximately £1,000 for the first year pilot.
27. The recruitment of 2.5 full time equivalent employees is being undertaken to provide a fixed term contract until the 31 March 2014 during the one year pilot. They will be

rewarded in line with benefit officer salaries (Scale 4, starting salary £17,161). Should the service be commissioned to an external service provider then it will be a matter for that provider to determine the level of employee resources that will be required on an ongoing basis.

OPTIONS

Following consultation, a final scheme is proposed for implementation from 1 April 2013.

The options are:

- a) to agree the proposed final scheme as set out in Appendix Two.
- b) to agree amendments to the scheme in Appendix Two.
- c) To not implement a local scheme.

EVALUATION

28. Option a) would provide a pilot scheme of local assistance to island residents that can be evaluated during the 12 month pilot to:
- (i) refine the scheme to meet a genuine and emergency hardship that can not be provided through other existing provisions.
 - (ii) consider alternative ways of delivering the scheme from 1 April 2014 that explore the ability to commission to an interested party and allow sufficient time to engage in this undertaking.
29. This option is recommended as it provides access to local assistance to the most vulnerable in genuine hardship during the pilot period and sufficient time for the council to evaluate the need of the ongoing Local Assistance Scheme support for the Island and to commission the service.
30. While option b), to amend the scheme is possible, it would depend on the extent of the amendments and if they required further consultation and also whether it could be practically implemented or not. Option c) is not recommended as it is felt that a Local Assistance Scheme is required from 1 April 2013 to support individuals and families needing emergency financial assistance.

RECOMMENDATION

31. That after considering the outcomes of the consultation process set out in this report and in Appendix Three and the Second Stage 2 Equality Impact Assessment set out in Appendix One option a) be agreed, namely:-

The Pilot Local Assistance Scheme set out in Appendix Two be implemented from 1 April 2013 and administered by the council's Benefits Service for one year.

APPENDICES ATTACHED

- 32. [Appendix One](#) – Equality Impact Assessment Local Assistance Scheme
- 33. [Appendix Two](#) – Local Assistance Scheme Policy
- 34. [Appendix Three](#) – Summary of response to consultation

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Decision

Signed

Date
